

**MINUTES
CITY OF LAKE WORTH
ELECTRIC UTILITY ADVISORY BOARD
MEETING
July 6, 2016 – 6:00 PM**

The meeting was called to order by Lisa Maxwell on the above date at 6:00 PM in the City Hall Conference Room, located at 7 North Dixie Highway, Lake Worth, Florida.

1. ROLL CALL:

Present were members: Lisa Maxwell, Ibrahim Chalhoub, Peggy Fisher, and Noah Tennyson.

Caroline Clore and Roger St. Martin were absent for the roll call. Roger St. Martin joined the meeting at 6:24 p.m.

Joel Rutsky, the Electric Utility Revenue Protection Manager, was present.

Walter Gill, the Assistant Electric Utility Director, was present.

John Borsch, the Electric Utility Director and Board Liaison, was also present.

2. PLEDGE OF ALLEGIANCE:

The pledge of allegiance was led by Noah Tennyson.

3. AGENDA – Additions/Deletions/Reordering:

The EUAB requested to reorder the agenda –Going forward, Board Comments moved after New Business.

The new business Item (D) - Prepaid Account Management System, Software and Implementation with Excleron Software, LLC, discussed last.

4. PRESENTATIONS:

There were no presentations on the Agenda.

5. BOARD COMMENTS:

A. Peggy Fisher commended the Electric Utility for the brightness of the new street lights near her home.

B. Board member asked about the new street LED lights causing blindness and other health problems.

Board Liaison responded that about a year ago Electric Utility proposed the 4000 Kelvin LED lights and the Commission brought forward concerns of this causing health problems. Research on the possible health implications caused by the higher Kelvin LED light was conducted and it is recommended to use 3000 Kelvin LED lights and below to reduce the exposure to the blue light. The Commission along with Electric Utility decided the lower 2700 Kelvin LED lights were a better option as this unit of temperature does not cause any known health issues.

6. PUBLIC PARTICIPATION OF NON-AGENDAED ITEMS:

There was no public participation of non-agendaed items.

7. APPROVAL OF MINUTES:

A. EUAB Minutes 06.01.16

Action: The motion was made by Ibrahim Chalhoub to approve the minutes and seconded by Noah Tennyson.

Vote: Unanimous

8. UNFINISHED BUSINESS:

A. Willdan Financial Services - Economic & Financial Valuation Update

Staff submitted Willdan Financial Services report and provide copy of report to EUAB.

John Borsch stated the Willdan Financial Services report shows the value of Electric Utility to the City is around \$100 Million but according to the Valuation if sold the City would lose about \$12 Million.

EUAB stated there are legal constraints do not allow the selling of Electric Utility, at the moment it is not an option.

Staff will provide full report at the next EUAB meeting.

Peggy Fischer stated that in the report under the assumptions section Willdan Financial mentions option one (1) provided by Burton Associates and asked staff to provide details.

Staff responded that Burton Associates reported that in a number of years Electric Utility will need to maintain the reserves balance and there is a rate request that helps preserve this demand.

9. NEW BUSINESS:

A. Purchase Agreement with Circuit Breakers Sales & Service

Staff is notifying EUAB on quotes solicited for the purchase and installation of a new circuit breaker for the power plant. The best quote attained was from Circuit Breaker Sales & Services in the amount of \$23,150 for one (1) new General Electric PVVL-13.8-750-12 circuit breaker which is compatible with current switch gear. Electric Utility has enough funds to purchase one (1) circuit breaker for fiscal year 2016 and will order more towards the end of the year.

Lengthy discussion ensued.

EUAB suggested staff hires a Purchasing Agent in the Electric Utility department to assist with quotes and requisitions as the department is constantly soliciting services for repairs and replacement.

B. Professional Services Agreement with Ametek Solidstate Controls

Discussion regarding the S-4 inverter needing proactive, predictive, and preventive maintenance. Performing recommended Proactive & Preventive Maintenance (PM) on an annual basis will minimize plant downtime or unscheduled maintenance caused by adverse environmental conditions and equipment malfunction due to failed or aging components.

The S-4 inverter manufacture date is February 19, 1993. The unit was last serviced on August 14, 2003. The manufacturer recommends that preventive maintenance needs to be done every 10 years.

C. Purchase of Digital radios with Radio One

Walter Gill stated the Electric Utility is currently using an analog radio communication system that has been in service for close to 10 years and has surpassed its end of life support. The proposed two way radio system will include the MOTOROLA Linked Capacity Plus digital system, which provides a reliable and efficient radio; network functionality and two way radio communication system for the Electric Utility. This will accommodate all communications between all departments, services, and security. The purchase of radios from Radio One and all materials to complete the radio upgrade project in the electric utility in the amount of \$65,926.05.

Lengthy discussion ensued on the capacity and communication system for this product.

EUAB asked about the equipment Motorola will provide.

Staff provided the list as an attachment in the agenda.

EUAB had concerns on Motorola as a sole source and asked staff to clarify.

Staff responded that Radio One is the sole source for Motorola for the type of radios which meet the needs and requirements for the City.

Joel Rutsky stated current system is outdated and some of the features cannot be repaired. Our SCADA Engineer alongside a committee formed to research the radio products recommended Motorola as the vendor which met the features and future requirements of the City.

Lengthy discussion ensued.

EUAB requested additional information on Radio One and Motorola before making a recommendation.

D. Purchase three phase cable and materials for the Generator GT-1.

Staff reported that one phase of cable that ties GT-1 to 138 kV transmission cable phase has failed and cannot be repaired. An emergency replacement is currently in place and Electric Utility recommends changing all three cable phases along with the associated materials required for cable termination as the remaining two cables have long exceeded their life expectancies and are at a risk of failure.

EUAB asked about email notifications regarding the outages in the City is related to heat or GT-1.

Staff responded it is related to how the systems is stressed for generation.

EUAB asked is this an emergency purchase.

Staff responded yes it was an emergency purchase and the Mayor and City Manager were notified of purchase.

E. Prepaid Account Management System, Software and Implementation with Exceleron Software, LLC

Joel Rutsky presented a one minute video on a customer's experience using the prepaid system.

Joel Rutsky stated Exceleron Software, LLC has been in business for 16 years, they work over 100 utilities and manage about 140, 000 pre pay accounts. The City of Lake Worth desires to piggy back off of the City of Ocala's contract with Exceleron Software, LLC for a prepaid account management system software that allows residents to pre pay for their

Electric, Water & Sewer usage. The software also helps customers who can't afford large deposits to still move into the City of Lake Worth's service area.

Mr. Rutsky stated that with this software program customers are able to monitor account usage/balance on a daily basis and make payments as needed to keep their account in good standing. This program eliminates the need for staff to collect large utility deposits as well as help many of City's customers pay off past due utility balances. In addition, customers that sign up for the Pre-Paid system no longer receive a paper bill or a final notice letter and this alone results in an annual savings. This software is a tool to bring more residents into our City to help further our economic growth.

EUAB asked does this eliminate utility deposits.

Joel Rutsky responded no. This program is another option for customers who are required to make large deposit because no credit or bad credit. This pay as you go program also means the City will have less non-paying customers and ultimately reduce the City's debt on unpaid utility bills.

EUAB is this an option for commercial business.

Joel Rutsky stated this can be an option in the contract. We can work on some of the terms with Exceleron Software, LLC to include businesses.

The City of Lake Worth agreement will be for the next 36 months. For the first year FY 15-16, the implementation fee of \$15,000 will be charged to the Transmission & Distribution professional services account of the Electric Department. Thereafter, the City will be responsible for a monthly maintenance fee of \$3,000. The maintenance fee will be charged to the Meters' professional services in the consecutive years.

EUAB asked is the \$15,000 an all-inclusive fee and had concerns on the charge per participant monthly maintenance fee.

Joel Rutsky responded that \$15,000 is a onetime set up fee. The City will pay \$3,000 as a monthly maintenance charge. Exceleron will charge a monthly fee based on the number of prepaid participants in the program. This charge amounts to \$.20 per day for each prepaid participant which equates to approximately \$6.00 per month. Exceleron provides a ramp up minimum in months three and four after the initial pilot period in months one and two.

Lengthy discussion ensued.

Action: The motion was made by Ibrahim Chalhoub to recommend the Prepaid

Account Management System, Software and Implementation with Exceleron Software, LLC in the amount of \$95,000 over three years and seconded by Peggy Fisher.

Vote: Voice vote showed: AYES: Chair, Lisa Maxwell; and members, Ibrahim Chalhoub; Peggy Fisher. NAY: Roger St. Martin

10. BOARD LIAISON REPORTS AND COMMENTS:

- A. John Borsch reported we reached a high peak of 96% temperature.
- B. Wi-Fi project to go in front of Commission on July 19th, 2016.
- C. Staff has submitted the MR Valuation and the Willdan Financial Services report to John Ragone for review.
- D. Staff hired Scott Trantham as a temporary Power Plant Manager for the Tom G. Smith Power Plant.
- E. Electric Utility will be training next week on Diversity in the work place. Sally Clark is the insights trainer and will be working with the City attorney on a presentation for the department.
- F. John Borsch reported conducting a series of presentation regarding Electric Utility's operation and projects, with one more scheduled for August 5th.
- G. Siemens project going well. Half of the water meters have been installed with a project delayed due to some minor issues. Over 3,000 electric meters has been installed. A purchase of 150 Million poles, fixtures and light going up throughout the City.
- H. John Borsch had a meeting with the Whispering Palms Homeowners Association and addressed concerns on solar panels.
- I. Solar panels are in and construction to start next week, permits are complete with minors specification required.
- J. Staff stated Siemens and Public Services suggested building a tower platform for students to learn about Solar panels and generation, project may be considered.
- K. Walter Gill reported Orlando Utility Commission currently working on the one (1) year purchase power agreement extension with Orlando Utility Commission (OUC), hopes to have this by August for EUAB review.

Lengthy discussion ensued.

EUAB asked if Orlando Utility Commission planning on making any major changes to contract.

Mr. Gill responded absolutely not, they are very interested in working with the City in the future.

11. ADJOURNMENT:

The meeting was adjourned at 7:56 pm.


Ibrahim Chahoulb, Acting Chairperson

ATTEST:


Sughey Moreno, Executive Secretary

Minutes Approved: August 03, 2016

A digital audio recording of this meeting will be available in the Office of the City Clerk.